

MedRx Billing Support for COVID-19 Testing

Frequently Asked Questions About Testing Requirements, Billing, and Reimbursement

Change Healthcare MedRx Network is a dynamic platform for billing medical claims, such as claims for durable medical equipment (DME) and immunizations, directly from the pharmacy management system. Our MedRx solutions help retail pharmacies keep medical billing within their existing pharmacy workflow, which is typically used for prescriptions.

How does MedRx help retail pharmacies?

With MedRx, adjudication happens in near real time within the pharmacy's workflow, just as it would with a pharmacy benefits manager (PBM). As a result, the pharmacy does not need to understand medical coding or chase post-claim rejections.

Can retail pharmacies offer COVID-19 testing?

Yes. The U.S. Department of Health and Human Services (HHS) recently announced that retail pharmacies can provide direct COVID-19 testing. This announcement provides a great opportunity for pharmacies, as they can now capture testing traffic and related revenue opportunities.

This new legislation allows pharmacies the opportunity to expand their medical services beyond DME and immunizations. However, new offerings such as the following generally require special workflows or technology support:

- Clinical services, including diagnostic tests (like COVID-19), counseling, and screenings
- Compliance solutions
- Commercial programs for specialty or J-code drugs

Why is billing for COVID-19 testing a challenge?

Currently, pharmacies are struggling to manage the billing for COVID-19 tests, as they typically do not offer clinical testing in a pharmacy setting. Pharmacies are also coping with widespread uncertainty about reimbursement protocols, the possible need for laboratory designation, and regulations pertaining to the ordering of tests.

While all COVID-19 testing claims are reimbursable by insurance—including Medicare, Medicaid, and commercial health plans—certain codes have been designated for screening, specimen collection, and analysis of different test types (viral/serological vs. antibody).

Does a pharmacy need to seek certification to provide COVID-19 testing?

No. Special Medicare enrollment should not be needed if a pharmacy is only collecting specimens, and is not performing an analysis of results. If a facility is only collecting specimens, a Clinical Laboratory Improvement Amendments (CLIA) certificate is not required. Pharmacies are eligible to be paid for either test kit screening or collection without a CLIA waiver.

However, a CLIA Certificate of Waiver *is* required if a pharmacy is both administering and analyzing results onsite. If your pharmacy becomes CLIA-certified, please notify Change Healthcare. Change Healthcare continues to monitor this evolving situation and will act in accordance with CMS once regulations are finalized.



How does the COVID-19 testing process work in pharmacies?

First, a patient comes into the pharmacy and requests a COVID-19 test. Many states are following HHS guidelines that enable the pharmacist to order and administer a COVID-19 test.

The pharmacist will enter the patient's insurance information into the pharmacy management system, following the normal workflow for payment prescreening. The potential claim is then accepted or denied in real time, much as it would be for a vaccination. Specimens can be collected in or outside a registered pharmacy, and either sent to a lab for analysis or interpreted on-site, depending upon the state and the pharmacy's qualifications.

After delivering the test, the pharmacist simply selects the correct user code and submits the claim via the normal workflow.

- Medicare may reimburse a pharmacy for these tests with or without written order from the treating physician or practitioner.
- Expect Medicaid and commercial payers to follow CMS guidance.
- Include the National Provider Identifier (NPI) on the claim, if ordered by a referring professional.

How does MedRx support the billing of COVID-19 test kit screenings?

MedRx has made several key updates to support a seamless billing and reimbursement process within your pharmacy. The solution:

- Supports COVID-19 diagnostic testing (serological and antibody tests) for commercial insurance, Medicare, and Medicaid patients
- Outlines the specific HCPCS codes designated by payers for the reimbursement of test kit screening and sample collection—including a laboratory waiver, if required
- Processes claims and supports payer adjudication within your normal pharmacy workflow
- Provides supplemental reporting to give your pharmacy greater visibility into billing activity

What benefits does MedRx's billing support for COVID-19 testing provide?

Since April 2020, Change Healthcare has consulted with Medicare and top commercial payers to review the latest CMS/HHS guidance and develop reimbursable services and billing codes. We will continue to review adjudication practices and regulations to provide up-to-date support for our pharmacy customers.

Our MedRx billing support for COVID-19 testing offers:

- Normalized workflow for your pharmacy staff and billing processes
- Experienced consultants to help your pharmacy ensure payer compliance and reduce financial risk
- Streamlined processes to promote the capture of testing traffic in your pharmacy locations